

# Development of Wellness Resort in Madan Negi

# Contents

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Tourism Scenario In India

---

Uttarakhand – Key Credentials

---

Uttarakhand Overview

---

Tehri Lake – A Snapshot

---

Connectivity

---

Project at a Glance

---

Project Outline

---

Financial Assumptions

---

Land Layout

---

Policies, Schemes & Incentives

---

Key Contacts

---

# TOURISM SCENARIO IN INDIA (1/2)

## ECONOMIC SCENARIO

- ▶ 7<sup>th</sup> Largest Tourism Economy in the World.
- ▶ 9<sup>th</sup> Largest in cultural resources and business travel in the world
- ▶ Direct contribution of travel & tourism to GDP is forecasted to become USD194.7bn in FY2028
- ▶ Travel & Tourism investment expected to rise to USD 85.2bn in FY 2028
- ▶ 58.5% growth forecast in Foreign Tourist Arrivals on e-Tourist Visa
- ▶ Increase in Tourism employment opportunities by 2.1% pa in next ten years

## Emerging Tourism segments in India

Rural  
Tourism

Adventure  
Tourism

Film  
Tourism

Medical  
Tourism

Green  
Tourism

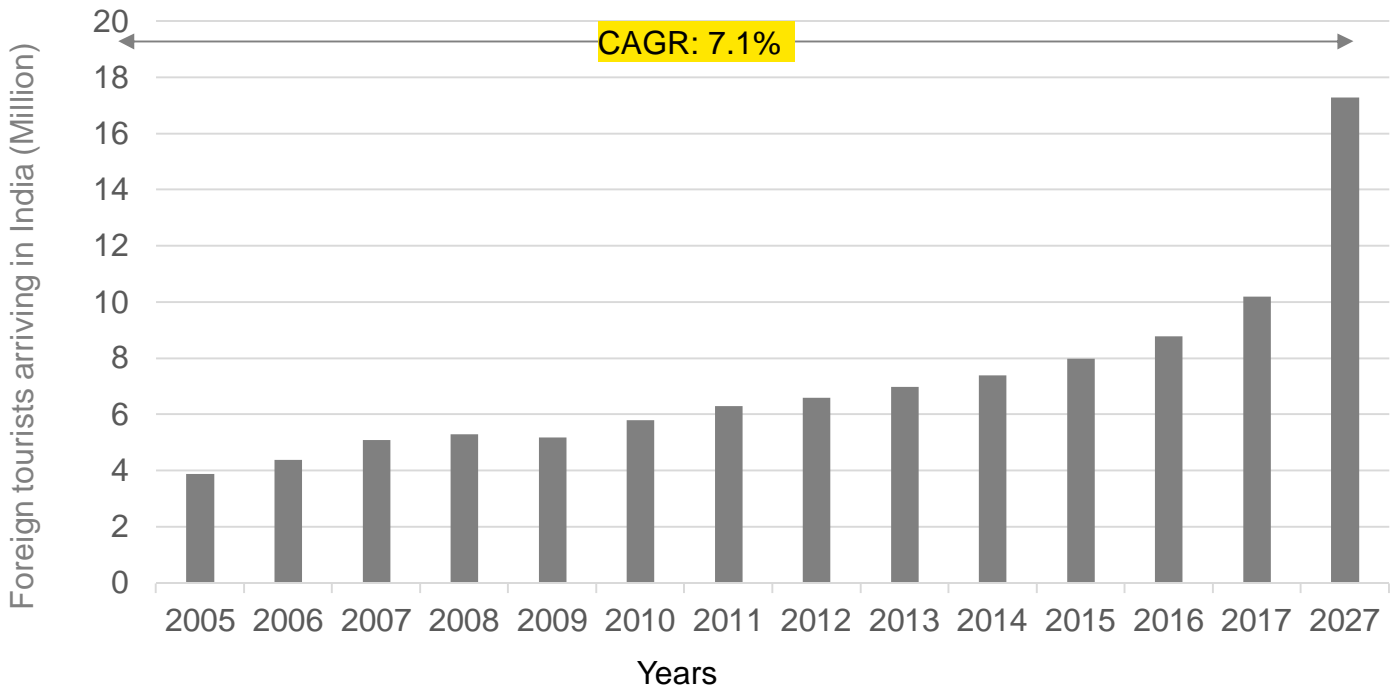
## Growth Drivers of the Tourism industry

- ▶ Geographic and cultural diversity
- ▶ Rise in domestic household expenditure on tourism
- ▶ Improved Infrastructure
- ▶ E - Facilitation for Travel and Stay
- ▶ Government Initiatives - Medical visa or M visa, Visa – on – Arrival (VOA), Incredible India campaign

# TOURISM SCENARIO IN INDIA (2/2)

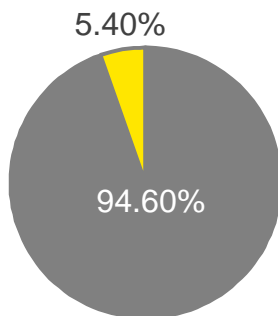
## Tourism Scenario in India

Foreign tourist arrivals into the country is forecast to increase at a CAGR of 7.1 per cent during 2005–27



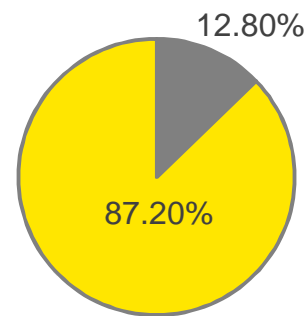
## Different Components of Travel & Tourism

Leisure vs. Business Spending In 2017



■ Leisure Spending ■ Business Spending

Domestic vs. Foreign Visitor Spending in 2017



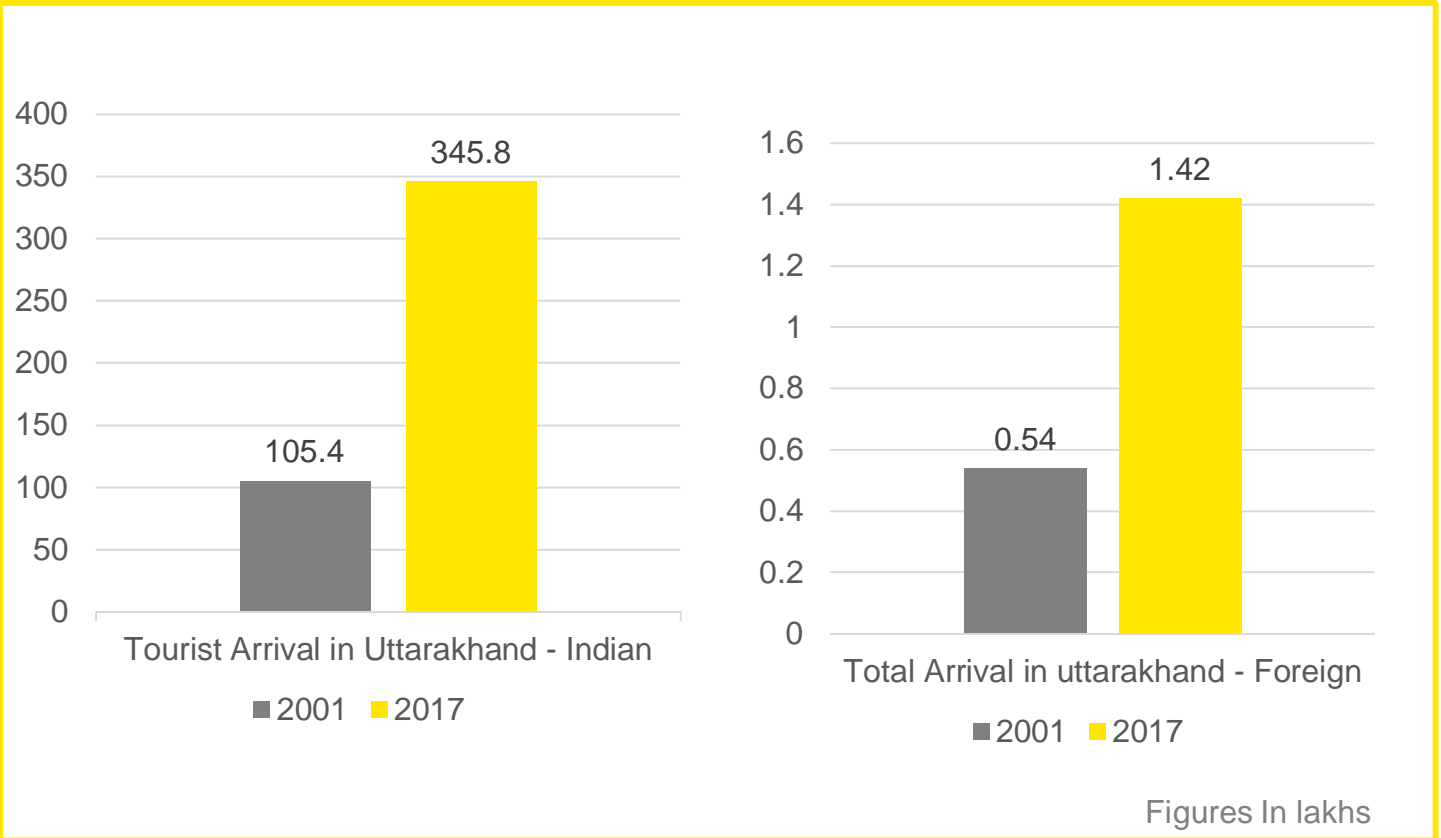
■ Foreign visitor spending ■ Domestic Spending

Source: WTTC - TRAVEL & TOURISM ECONOMIC IMPACT 2018 INDIA

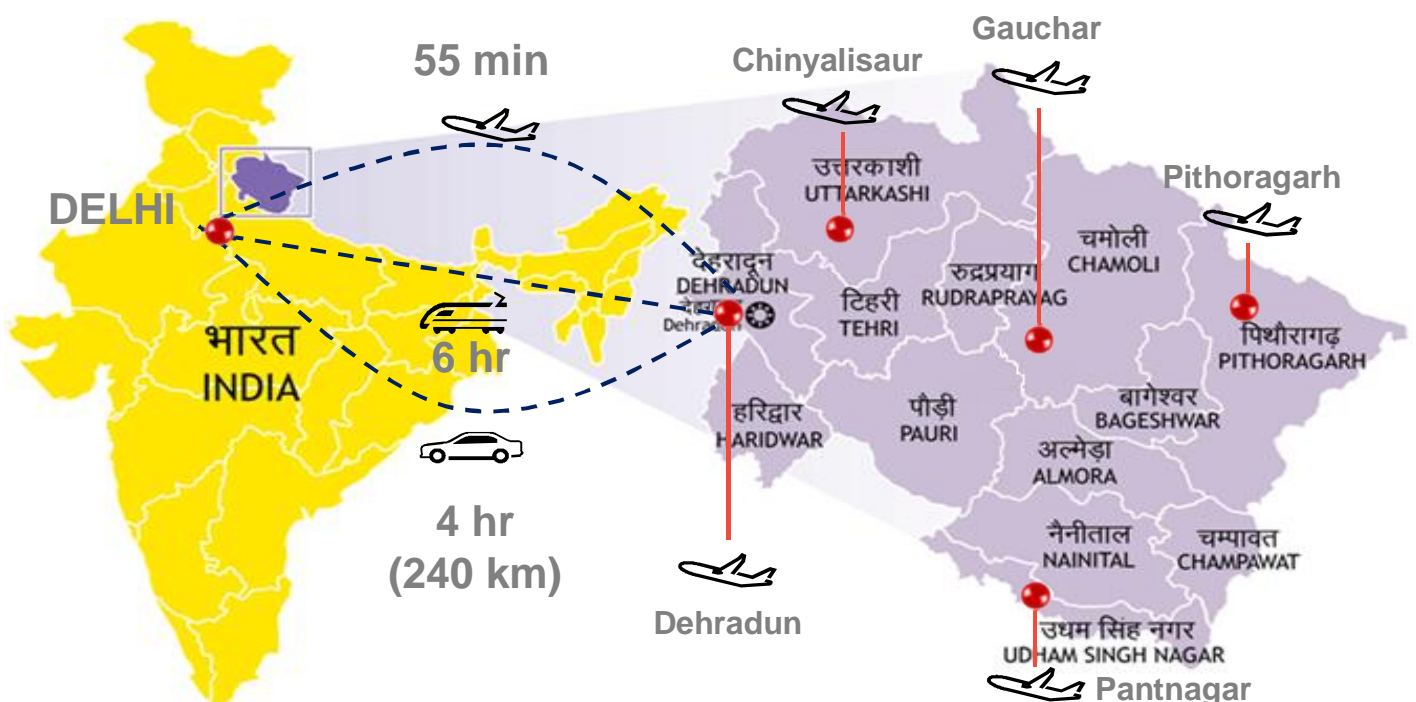
[www.InvestIndia.gov.in](http://www.InvestIndia.gov.in)

# UTTARAKHAND – KEY CREDENTIALS

## INDIAN AND FOREIGN TOURIST ARRIVALS



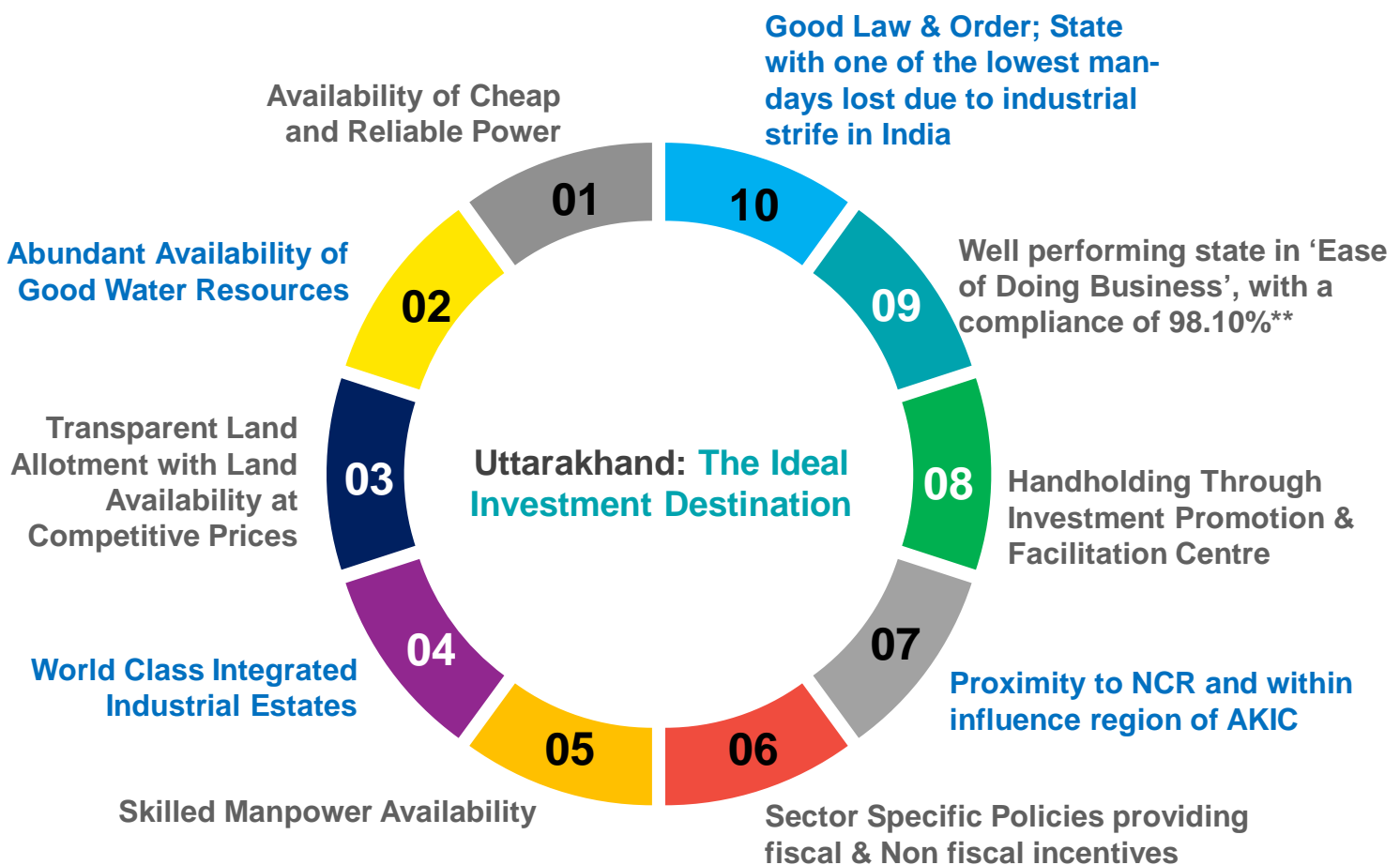
## CONNECTIVITY - UTTARAKHAND



# UTTARAKHAND OVERVIEW

- ▶ The State of Uttarakhand was formed on 9th November 2000 as the 27th State of India, when it was carved out of northern Uttar Pradesh
- ▶ The State is close to the National Capital Region (NCR) and has excellent connectivity with its neighbouring states
- ▶ With levels of literacy rate\* (78.80%) higher than the national average and the presence of institutes of international repute, the State has abundant availability of quality human resources
- ▶ GSDP of the state stood at INR 2,17,609 Million with a growth rate of 11.23% (FY 2017-18)\*
- ▶ The state offers a wide range of benefits in terms of interest incentives, financial assistance, subsidies and concessions
- ▶ The Tertiary sector in the state contributes around 38.41% to the Gross State Domestic Product (GSDP: 2016-17)\*\*

## Acknowledged for *Ease of Doing Business & Peace of Doing Business...*



# TEHRI LAKE | A SNAPSHOT (1/2)

- ▶ Tehri is a spectacular place blessed with uninhibited natural beauty. It provides a stunning view of Tehri Lake and Tehri Dam.
- ▶ Tehri lake provides a hundred opportunities to the adventure lovers who love to throw caution to the winds like Boating, Jet-Skiing, Banana Rides, Water Skiing, Surfing, Canoeing, River-Rafting, Paragliding, Kayaking and much more.
- ▶ Government of Uttarakhand is in the process to develop a world-class theme based tourism destination around Tehri lake area, spread across 40,000 acres. It is the first ever destination to be developed under tourism plan in Uttarakhand.
- ▶ Adequate Infrastructure, Availability of Land at subsidised rate makes Tehri an ideal place for investment.

## PROXIMITY TO THE TOURIST DESTINATIONS FROM TEHRI LAKE

Chamba	20 Km	Rishikesh	84 Km
Dhanaulti	51 Km	Haridwar	103 Km
Mussoorie	77 Km	Dehradun	120 Km

## EXISTING TOURISM INFRASTRUCTURE AT TEHRI LAKE

- Rajiv Gandhi Adventure Academy
- Floating Jetties and Associated Infrastructure including speed boats, parasailing dock, paras-ail and 02 Water Taxies
- Vehicle Barge
- Floating Marina

## PROPOSED SPORTS, ADVENTURE, LEISURE & ACTIVITIES TO PROMOTE THE AREA

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>• Powered Paragliding</li><li>• Sky Bridge</li><li>• Jet skiing</li><li>• Iconic Statues</li><li>• Cycling on Rough Terrain</li><li>• Camping along the Lake</li></ul> | <ul style="list-style-type: none"><li>• Rejuvenation and Wellness Spas</li><li>• Nature Parks</li><li>• Yoga/ Meditation Centers</li><li>• Home Stays</li><li>• Nature trails</li><li>• Art &amp; Craft Haat</li></ul> |
|--|--|

## TEHRI FOOTFALL (2017)

Domestic – 1425732 , Foreign – 37092  
(59% increase in Domestic and 69% Increase in Foreign Tourist from Year 2016)

Source: Uttarakhand Tourism Development Board

# TEHRI LAKE | SNAPSHOT (2/2)





## Tehri is well-connected with the major towns



### Rail

- Tehri is well connected by motorable roads with major destinations of Uttarakhand and northern states of India. Luxury and normal Buses to Tehri are available from ISBT Kashmiri Gate. Buses and Taxis to Tehri are easily available from major destinations of Uttarakhand like Dehradun, Mussoorie, Rishikesh, Haridwar, Devprayag, Srinagar, Uttarkashi etc.



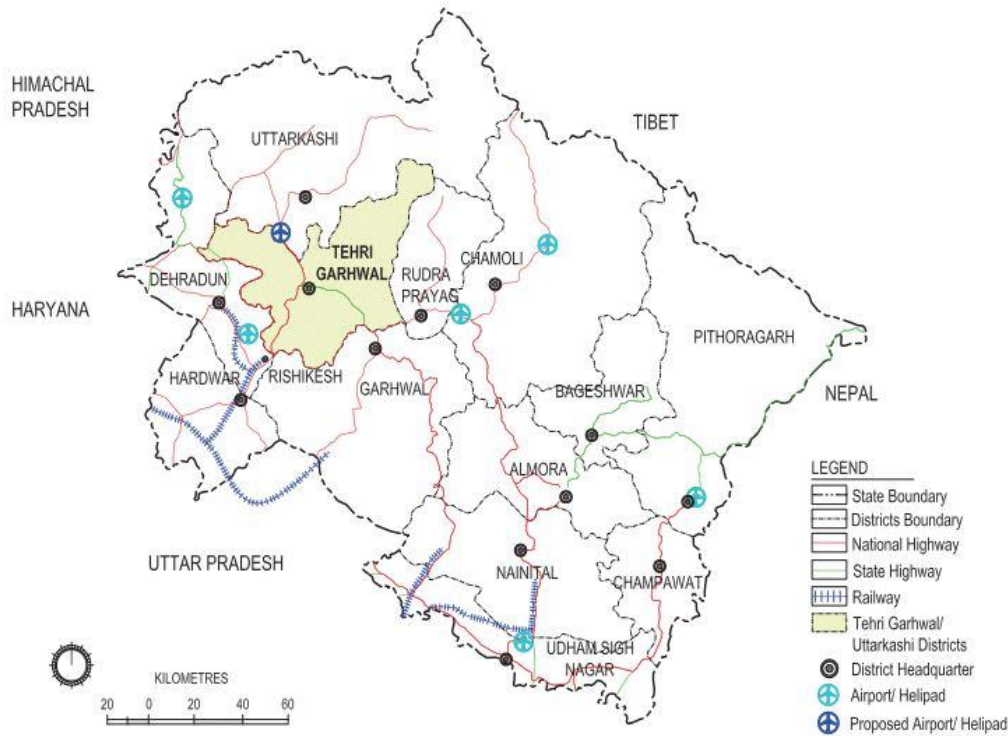
### Air

- Jolly Grant Airport at Dehradun is the nearest Airport to Tehri situated at a distance of 91kms



### Road

- Tehri is well connected with most of the major cities like Dehradun (110 km), New Delhi (300 Km)



# Project 1. Development of Wellness Resort at Madan Negi

## PROJECT AT A GLANCE

- ▶ The proposed project is a wellness resort that provides an extensive range of treatments with world class amenities would be a suitable project.
- ▶ Offering a unique blend of traditional skills and practices passed on by generations with modern high-end luxury, this project comes as a perennial choice for an enriching holiday with benefits of Ayurveda, yoga and meditation. Offering a unique Ayurveda experience to its guests from pan India and across the world, the retreat provides perfect location.
- ▶ The Ayurveda centre has trained doctors and therapists who provide the right treatments and services whereas the Yoga centre is perfect for practicing various postures and breathing exercises. This resort also provides indoor and outdoor recreational activities.



# Project Outline

## Development of Wellness Resort at Madan Negi

### PROJECT COMPONENTS

<p>Deluxe Room - 50 keys Premium Rooms 30 Keys Family Suite – 20 keys</p>		<p>Multipurpose Hall 200 pax</p>	
<p>Restaurants (including kitchen &amp; storage) – 30 pax</p>		<p>Panchkarma, Naturopathy, Yoga and Meditation Hall and Treatment Centre – 4 Nos.</p>	
<p>Yoga and Meditation Hall (2 Halls) – 75 pax</p>		<p>Gym / Spa / Steam / Sauna/ Jacuzzi</p>	
<p>Pool with Natural Surrounding– 1 No.</p>		<p>Fitness and Gaming Zone</p>	

Land Available	6.22 Acres
Project Timelines	Concession period – 30 years (with scope of additional concession period of 30 Years) Construction Period – 36 Months
Total Project Cost (Indicative)	INR 100.5 crore

# Financial Assumptions

## Development of Wellness Resort at Madan Negi

### PROJECT COMPONENTS

Construction Cost	Cost (INR crore)		
Y-to-Y increase	2.0%		
Construction Phasing	Year 1 30%	Year 2 30%	Year 3 40%
<b>Funding for Construction Expenses</b>			
Equity	40%		
Debt	60%		
Debt Repayment			
Total Debt	60.27 INR crores		
Debt repayment period	10 years		
Rate of interest	10%		
Moratorium period	3 years		
<b>Revenue</b>			
Room Tariff	INR 12,000 – 20,000 INR/ day/ room		
Occupancy assumption	Occupancy in 1 <sup>st</sup> Year 40%	Y-to-Y increase 3%	Maximum occupancy 80%
Y-to-Y increase in revenue	5%		
Conference revenue	10% of room revenue		
Wellness treatment revenue	40% of room revenue		
Revenue from F&B	40% of the room revenue		
Cost of F&B	30% of the F&B revenue		

# Financial Assumptions

## Development of Wellness Resort at Madan Negi

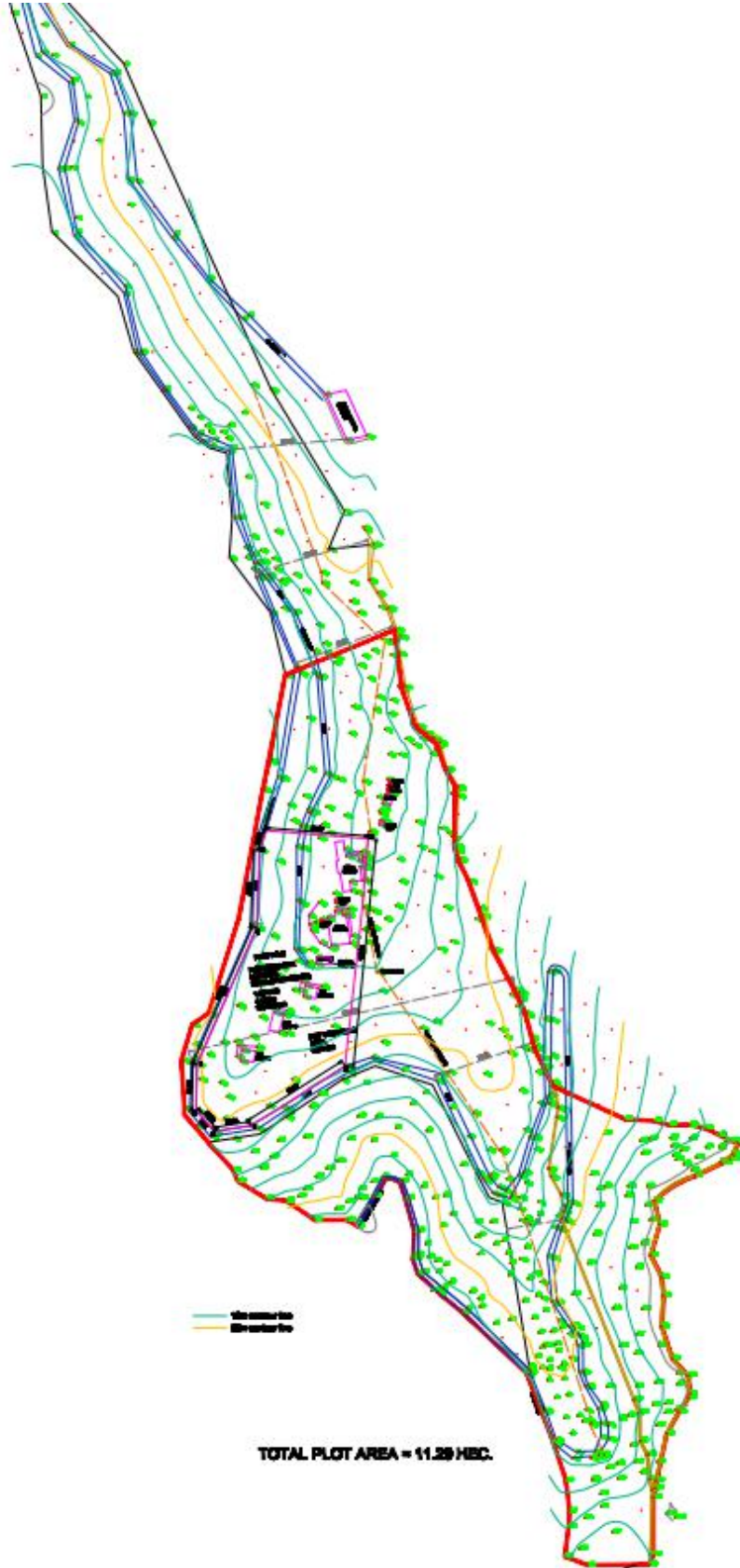
### Total project cost and revenue (Indicative)

Cost of F&B	60% of F&B revenue
<b>Operating Expenses</b>	
Operating expenses	40% of Total Revenue
Wellness treatment operation cost	25% of Wellness revenue
Other Cost	10% of Conference revenue
Maintenance cost	10 % of Total Revenue
<b>Payment to Government</b>	
Annual Lease Rent for the Project	0.25 INR Crore
Y-to-Y increase	5%
Royalty	5%
<b>Equity IRR</b>	<b>18.86%</b>
<b>Project IRR</b>	<b>16.24%</b>

# Land Layout (1/2)

## Development of Wellness Resort at Madan Negi

### Land layout of the proposed site



# Land Layout (2/2)

## Development of Wellness Resort at Madan Negi











### Pictures of the Proposed Site



### Video link of the proposed site



## Hassle free setup and operations in the state

Online Single Window System for all required approvals for setting up business			Auto renewal of Consent to Establish, Consent to Operate
Single Point Sectoral Clearances			Self / Third party certification in lieu of departmental inspections
Investment facilitation centre to handhold investors			Single Integrated return for all labour laws
Objective Criteria for land allotment			Use of modern supervisory control and data acquisition system to ensure reliable supply of electricity
Geographic information system of all land banks			Commercial Court set up in Dehradun with entire state jurisdiction

## Assured & Timely disposal of applications along with Deemed approvals



### In-Principle Approval:

Decisions on Project Proposals within 15 days

Step  
01



### Pre-Establishment:

Approvals for pre-establishment services within 15 days

Step  
02



### Pre-Operations:

Approvals for pre-Operations services within 30 days

Step  
03

200+ Investor Services covered under the Uttarakhand Single Window Facilitation and Clearance Act, 2012 & the Uttarakhand Right to Services Act, 2011



# POLICIES, SCHEMES & INCENTIVES (1/4)

## Industrial Development Scheme 2017

### Central Capital Investment

Central Capital Investment Incentive for access to credit (CCIIAC) @ 30% of the investment in plant and machinery with an upper limit of INR 5.00 crore

### Central Comprehensive Insurance Incentive

Reimbursement of 100% insurance premium on insurance of building and Plant & Machinery for a maximum period of 5 years from the date of commencement of commercial production/ operation

**Note:** Units which have commenced production on or after 01<sup>st</sup> of April, 2017 will be allowed to register with DIPP on or before 30<sup>th</sup> of September, 2018

## MSME Policy 2015

- ▶ Tourism Sector has been accorded Industry Status
- ▶ Tourism Units are eligible for electricity tariff on industrial rate

### Categorization of industries for the purpose of quantum of incentives

Category	Included Region
Category A	Whole Districts of Pithoragrah, Uttarkashi, Chamoli, Champawat, Rudraprayag and Bageshwar
Category B	<ul style="list-style-type: none"> <li>▶ Whole District of Almora</li> <li>▶ All hilly development blocks of District Pauri Garhwal, Tehri Garhwal (Excluding regions under category B+)</li> <li>▶ All hilly development blocks of District Nainital and Dehradun (Excluding regions under category B+)</li> </ul>
Category B+	<ul style="list-style-type: none"> <li>▶ Kotdwar, Sigaddi and adjoining plain regions of Dugadda development block of district Pauri Garhwal</li> <li>▶ Dhalwala, Muni Ki Reti, Tapovan and adjoining plain regions of Fakot development block of District Tehri Garhwal</li> <li>▶ Kotabagh development block of District Nainital</li> <li>▶ Plain regions of Kalsi development block of District Dehradun</li> </ul>
Category C	<ul style="list-style-type: none"> <li>▶ Regions located above 650 mtrs from sea level in Raipur, Sahaspur, Vikasnagar and Doiwala development blocks of District Dehradun</li> <li>▶ Ramnagar and Haldwani development blocks of District Nainital</li> </ul>
Category D	<ul style="list-style-type: none"> <li>▶ Whole Districts of Haridwar and UdhamSingh Nagar</li> <li>▶ Remaining area of District Dehradun and Nainital (which are not included in category 'B', 'B+' and 'C')</li> </ul>

# POLICIES, SCHEMES & INCENTIVES (3/4)

## MSME Policy 2015

### Interest Subsidy

**Category A:**  
10%(Max 8 lacs)

**Category B, B+:**  
8% (Max 6 lacs)

**Category C:**  
6% (Max 4 lacs)

**Category D:**  
5% (Max 3 lacs) \*Per year/unit

### Capital Subsidy

**Category A:**  
40%(Max 40 lacs)

**Category B, B+:**  
35% (Max 35 lacs)

**Category C:** 30% (Max 30 lacs)

**Category D:** 15% (Max 15 lacs)

### Transport Subsidy

% of Annual Turnover (Per year/ unit) or Inbound/ Outbound Logistics Cost whichever is less

**Category A:** 7%

**Category B:** 5%

**Category B+:** 5% (Max 5 lacs)

### Stamp Duty

**Category A, B, B+, C:** 100%

**Category D:** 50%

### SGST Concession\*

**Category A:**  
100% for the first 5 yrs and 90% thereafter

**Category B, B+:**  
100% for the first 5 yrs and 75% thereafter

### Power Bill Rebate

**Category A:**  
Sanctioned Load upto 100 KVA: 100% for 5 yrs and 75% thereafter; If Load>100 KVA: 60%

**Category B, B+:**  
Sanctioned Load upto 100 KVA: 100% for 5 yrs and 60% thereafter; If Load>100 KVA: 50%

\*The SGST after adjustment of ITC on sale of finished product (B2C) will be reimbursed from the date of commencement of production of the unit

### Internet Charges

50% Reimbursement on internet usage charges for all categories

### Mandi Charges

**Category A, B:**  
100% exemption on Mandi charges

### Excise Duty

**Category A, B:**  
75% reimbursement on State Excise Duty, Additional Excise Duty, Bottling fees and other charges as under State Excise Policy

Reimbursement of cost incurred for carrying out standardization and quality certification of products by accredited institutions at national and international level by means of ISI marking, registration of copyright, trade marking etc. - 75% (maximum Rs. 1 lacs)

# POLICIES, SCHEMES & INCENTIVES (4/4)

## Mega Industrial and Investment Policy 2015

Major Tourism activities are included in the policy

SGST after adjustment of ITC on sale of finished product (B2C) will be reimbursed

### Categorization of industries for the purpose of quantum of incentives

Category	Units Included
Large Projects	Investments of INR 50 Cr. to 75 Cr.
Mega Projects	Investments of INR 75 Cr. to 200 Cr.
Ultra Mega Projects	Investments above INR 200 Cr.

#### Coverage:

New & Existing Projects undergoing expansion (falling within notified Industrial Estates / declared non-agriculture land under section 143: Large projects (50 Cr to 75 Cr), Mega Projects (75 Cr to 200 Cr), Ultra Mega Projects (Above 200 Cr)

<b>Interest Subsidy</b>	<p>7% for 5 years</p> <p>Investment – Interest</p> <p>Large – 25L Max</p> <p>Mega – 35L Max</p> <p>Ultra Mega – 50L Max</p>
<b>SGST Concession*</b>	<p>Large: 30%</p> <p>Mega / Ultra Mega: 50%</p>
<b>Stamp Duty</b>	<p>50% Exemption</p>

\*The SGST after adjustment of ITC on sale of finished product (B2C) will be reimbursed from the date of commencement of production of the unit

<b>ETP Subsidy</b>	<b>Extra Employment Subsidy</b>	<b>Land Registration Fees</b>	<b>Power Assistance</b>	<b>Land Rates Rebate</b>
30% (up to 50 lacs)	<p>@ 500 P.M. per Male</p> <p>@700 P.M. per Female</p>	Land registration fee @1/- per 1000/-	Rebate of 1/- per unit on the power bill and 100% rebate on electric duty for 7 years	Rebate of 15%, 25% and 30% on SIIDCUL prevailing land rate for Large, Mega and Ultra Mega Projects respectively

Detailed policies are available at <https://www.doiuk.org/policies.php>

# Key Contacts

## Uttarakhand Tourism Development Board

Address	Pt. Deendayal Upadhaya Paryatan Bhawan, Near ONGC Helipad, Garhi Cantt, Dehradun
Website	<a href="http://www.uttarakhandtourism.gov.in">www.uttarakhandtourism.gov.in</a>
Email ID	investtourismuk@gmail.com
Phone	+91-135- 2559898, 2559987

## Investment Facilitation Centre

Address	Directorate of Industries Industrial Area, Patel Nagar, Dehradun, Uttarakhand
Website	<a href="http://www.investuttarakhand.com">www.investuttarakhand.com</a>
Email ID	ifc.uttarakhand@gmail.com
Toll Free	18002701213
Phone	+91-135- 2559898, 2559987

**Disclaimer:** This project profile is based on preliminary study to facilitate prospective entrepreneurs to assess a prima facie scope. It is, however, advisable to get a detailed feasibility study prepared before taking a final investment decision